BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 1999-391-C - ORDER NO. 2000-0042

JANUARY 12, 2000

			V
IN RE:	Application of CTC Exchange Services, Inc.)	ORDER
	for a Certificate of Public Convenience and)	GRANTING
	Necessity to Provide Local Exchange)	CERTIFICATE
	Telecommunications Services within the State)	
	of South Carolina.)	

This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Application of CTC Exchange Services, Inc. ("CTCES" or the "Company") requesting a Certificate of Public Convenience and Necessity authorizing it to provide both local exchange resold and facilities-based telecommunications services within the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1998) and the Regulations of the Public Service Commission of South Carolina.

By letter, the Commission's Executive Director instructed CTCES to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the areas affected by the Application. The proposed Notice of Filing was to inform interested parties of the manner and time in which to file the appropriate pleadings for participation in the proceedings. CTCES complied with this instruction and provided the Commission with proof of publication of the Notice of Filing.

A Petition to Intervene was received from the South Carolina Telephone Coalition ("SCTC") on October 20, 1999. A hearing was commenced on December 29, 1999, at 11:00 a.m., in the Commission's Hearing Room. The Honorable William Saunders, presided. CTCES was represented by Kevin Hall, Esquire. SCTC was represented by Margaret M. Fox, Esquire. Jocelyn D. Green, Staff Counsel, represented the Commission Staff.

Bill Terry, Director of External Affairs, appeared and testified in support of the Application. As Director of External Affairs, Mr. Terry handles state and federal regulatory matters, industry relations, and interconnection matters for CT Communications – the parent company of CTCES. During the hearing, Mr. Terry adopted the prefiled testimony of Mr. Barry R. Rubens, Senior Vice President and Chief Financial Officer of CTCES.

During the direct examination of Mr. Terry, he stated he was familiar with the terms that the SCTC requested be included in this Order pursuant to the grant of certification from this Commission. Mr. Terry testified that he understood that the terms requested by the SCTC are typically presented in the form of a stipulation between the SCTC and the applicant. Furthermore, Mr. Terry stated that CTCES does not object to the inclusion of the terms in this Order and CTCES will abide by the terms of the stipulation if directed to do so by this Commission.

CTCES is a subsidiary of CT Communications. CTCES is a North Carolina corporation that was incorporated in January 1997. Upon certification from this Commission, CTCES will provide a full array of resold and facilities-based local

exchange and exchange access telecommunications services. The Company will focus on offering its services primarily to small and medium-sized businesses; however, the Company will also offer its services to other type customers.

Regarding the Company's technical ability to offer services in South Carolina, CTCES has its own technicians and a toll-free number available to assist customers. The Company's customer service department is located in Concord, North Carolina; the Department is available twenty-four hours a day, seven days a week. The Company's network operations center employs a technical staff that is available twenty-four hours a day. In addition, CTCES will operate its own billing department and the Company's name and telephone number will appear on a customer's bill.

The managerial staff of the Company consists of the following persons: Michael R. Coltrane (President), Barry R. Rubens (Senior Vice President, Secretary and Treasurer), Catherine A. Duda (Senior Vice President), and Thomas A. Norman (Senior Vice President). Mr. Terry testified that the managerial staff has a wide variety of telecommunications experience. If necessary, CTCES will rely on the financial assets of its parent company CT Communications for financial support.

Mr. Terry testified CTCES will market its services in South Carolina through media, direct sales, mail, radio, door-to-door solicitations, and account executives. As of the date of the hearing, CTCES was only certified and providing telecommunications services in North Carolina. The Company began providing telecommunications services in North Carolina in 1998. In addition, Mr. Terry testified that as of the date of the hearing CTCES had not entered into an interconnection agreement with an incumbent

local exchange carrier (ILEC). Further, Mr. Terry testified the execution of an interconnection agreement would depend on which ILEC was located in the market where CTCES chose to offer its services. The regulatory contact person for the Company is Mr. Terry. If the Commission Staff has questions regarding the financial status of CTCES, the Staff should contact Mr. Terry, Mr. Rubens, or the Company's accounting (finance) department.

FINDINGS OF FACT

- 1. CTCES is organized as a corporation under the laws of North Carolina and has received a certificate from the South Carolina Secretary of State to transact business within South Carolina as a foreign corporation.
- CTCES wishes to provide local exchange services within the State of South Carolina.
- 3. The Commission finds that CTCES possesses the technical, financial, and managerial resources sufficient to provide the service requested.
- 4. The Commission finds that CTCES's "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. §58-9-280(B)(3) (Supp. 1998).
- 5. The Commission finds that CTCES will support universally available telephone service at affordable rates.
- 6. The Commission finds that CTCES will provide services which will meet the service standards of the Commission.

7. The Commission finds that the provision of local exchange service by CTCES "does not otherwise adversely impact the public interest." S.C. Code Ann. §58-9-280(B)(5) (Supp. 1998).

CONCLUSIONS OF LAW

Based on the above findings of fact, the Commission determines that a 1. Certificate of Public Convenience and Necessity should be granted to CTCES to provide competitive intrastate resold and facilities-based local exchange services only to customers located in non-rural areas of South Carolina. CTCES may not provide any local service by its own facilities or otherwise to a customer located in a rural incumbent LEC's service area, unless or until CTCES provides such rural incumbent LEC and the Commission, written notice of its intent to do so at least thirty (30) days prior to the date of the intended service. During such notice period, the rural incumbent LEC will have the opportunity to petition the Commission to exercise all rights afforded it under Federal and State law. The Commission may suspend the intended date for service in rural LEC territory for ninety (90) days while it conducts any proceeding incident to the Petition or upon the Commission's own Motion, provided that the Commission can further suspend the implementation date upon a showing of good cause. It is specifically provided that all rights under Federal and State law are reserved to the rural incumbent LECs, and this Order in no way suspends or adversely affects such rights, including any exemptions, suspensions, or modifications as they may be entitled. If, after notice from CTCES that it intends to serve a customer located in a rural incumbent LEC's service area, and the Commission receives a Petition from the rural incumbent LEC to exercise its rights under

Federal or State law, or if the Commission institutes a proceeding of its own, no service may be provided by CTCES pursuant to this Order without prior and further Commission approval.

- 2. CTCES shall file, prior to offering local exchange services in South Carolina, its final tariff of its local service offerings conforming to all matters discussed with Staff and comporting with South Carolina law in all matters. Any proposed change in the rates reflected in the tariff for local services which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1998).
- 3. CTCES shall resell the services of only those LECs authorized to do business in South Carolina by this Commission.
- 4. CTCES shall conduct its business in compliance with Commission decisions and Orders, both past and future, including but not limited to, any and all Commission decisions which may be rendered in Docket No. 96-018-C regarding local competition.
- 5. By its Application, CTCES requested waivers from Commission requirements (1) of publishing a directory and (2) of maintaining records required under the Commission Rules be kept within the State. The Commission grants waivers for these two areas. CTCES is directed to comply with all Commission regulations, rules and Orders unless expressly waived by the Commission.

- Title 23, Chapter 47, South Carolina Code of Laws Ann., governs the 6. establishment and implementation of a "Public Safety Communications Center," which is more commonly known as a "911 system" or "911 service." Services available through a 911 system include law enforcement, fire, and emergency medical services. In recognition of the necessity of quality 911 services being provided to the citizens of South Carolina, the Commission hereby instructs CTCES to contact the appropriate authorities regarding 911 service in the counties and cities where the Company will be operating. Contact with the appropriate 911 service authorities is to be made before beginning telephone service in South Carolina. Accompanying this Order is an information packet from the South Carolina Chapter of the National Emergency Number Association ("SC NENA") with contact information and sample forms. The Company may also obtain information by contacting the E911 Coordinator at the Office of Information Resources of the South Carolina Budget and Control Board. By this Order and prior to providing services within South Carolina, CTCES shall contact the 911 Coordinator in each county, as well as the 911 Coordinator in each city where the city has its own 911 system, and shall provide information regarding the Company's operations as required by the 911 system.
- 7. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission in writing the

name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours.

CTCES shall file the names, addresses and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order.

(Attachment A shall be utilized for the provision of this information to the Commission.)

Further, the Company shall promptly notify the Commission in writing if the representatives are replaced.

- 8. CTCES shall conduct its business in compliance with Commission decisions and Orders, both past and future, including but not limited to, any and all Commission decisions which may be rendered in Docket No. 96-018-C regarding local competition.
- 9. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive/Director

(SEAL)

DOCKET NO. 1999-391-C - ORDER NO. 2000-0042	
JANUARY 12, 2000	
ATTACHMENT A	

AUTHORIZED UTILITY REPRESENTATIVE INFORMATION

PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION REGULATION 103-612.2.4(b) - Each utility shall file and maintain with the Commission the name, title, address, and telephone number of the persons who should be contacted in connection with General Management Duties, Customer Relations (Complaints), Engineering Operations, Test and Repairs, and Emergencies during non-office hours.

es	ss Address
St	rate, Zip Code
	General Manager Representative (Please Print or Type)
	Telephone Number / Facsimile Number / E-mail Address
	C. L. D. 1. (C
	Customer Relations (Complaints) Representative (Please Print or Type)
	Telephone Number / Facsimile Number / E-mail Address
	Engineering Operations Representative (Please Print or Type)
	Telephone Number / Facsimile Number / E-mail Address
	Test and Repair Representative (Please Print or Type)
	Telephone Number / Facsimile Number / E-mail Address
	Contact for Emergencies During Non-Office Hours (Please Print or Type)
	Contact for Emergencies During Non-Office Hours (Trease 11th of Type)
	Telephone Number / Facsimile Number / E-mail Address
	Financial Representative (Please Print or Type)
	Telephone Number / Facsimile Number / E-mail Address
	Customer Contact Telephone Number for Company (Toll Free)

If you have any questions, contact the Consumer Services Department (803-896-5230) or Utilities Department at (803-896-5105).